

27 November, 1996

William F. Caton, Secretary **Federal Communications Commission Room 222** 1919 M Street N.W. Washington, D.C. 20554



DOCKET FILE COPY ORIGINAL

Dear Mr. Secretary:

Enclosed are Transcrypt International Inc's. reply comments on the Notice of Proposed Rule Making (NPRM) 96-86

Sincerely,

TRANSCRYPT INTERNATIONAL INC.

Jeff Fuller

President and COO

List ABCDE

No. of Copies rec'd

Before the FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

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REPLY COMMENTS OF TRANSCRYPT INTERNATIONAL, INC.

Transcrypt International, Inc. ("Transcrypt") submits its reply comments on WT Docket No. 96-86.

The Public Safety Wireless Advisory Committee ("PSWAC") final report highlights the critical need for spectrum relief in the nations public safety communications systems. Transcrypt strongly supports the commission's efforts in this area. Transcrypt also agrees with some of the comments made on WT Docket No. 96-86 that it is essential for the Commission to quickly implement PSWAC's recommendations for spectrum relief.

Transcrypt's review of WT Docket No. 96-86 and the comments disclosed several issues which require clarifying information. These issues may be grouped into several categories: competition, intellectual property, and the standards process. Transcrypt feels obligated to respond in an effort to provide clarity.

Competition

Unfortunately the docket refers in (96 & 100) to inputs which attempt to create the impression that only two manufacturers of public safety communications equipment in the United States are important. Comments on WT Docket No. 96-86' attempt to support this contention. This is an attempt to portray the controversy on Project 25 Standards' as an Ericsson vs Motorola issue.

This is an inaccurate representation. There are multiple U.S. manufacturers of public safety equipment who will benefit from an open public safety standard.

⁶Ericsson Inc. Comments Section F. Completion Issues

⁶Project 25 Standards have been generated as a result of a coalition of The Association of Public Safety Communications Officials International Inc (APCO), the National Association of State Telecommunications Directors (NASTD), and representatives of Federal Agencies (FED).

Transcrypt is an active participant in Project 25 and has invested significant effort to develop new digital technology standards for public safety communications. Attempts to present the issue as one of concern to only two manufacturers dilutes the contributions and honest good faith efforts of Transcrypt and other participants, both users and suppliers.

It is essential that the smaller manufacturers are afforded an opportunity to participate in a user defined public safety communications market. Project 25 Standards provide that opportunity.

Intellectual Property

The Commission notes in (101) "...it is our responsibility to examine how best to enhance competition in the public safety communications market." As one of the smaller companies in the Land Mobile business STANDARDS are essential to Transcrypt in order to effectively compete. In a letter to the Federal Trade Commission Mr. Dan Bart, said "When the standards setting process facilitates the disclosure and sharing of essential intellectual property, as required by TIA' policy, the consumers are assured of standards that reflect the latest in innovation and high technology." "The incorporation of intellectual property in standards has been described as positive and pro-competitive."

As far as the drawbacks' related to standards, history reveals that smaller companies are the source of most innovations. There is ample evidence that standards development can promote innovation and in many cases result in new intellectual property. While users and suppliers are discussing the best ways to satisfy the user's needs, new problems/requirements become evident. Such problems become the seeds of invention. For growth statistics one only needs to review the stock market performance of successful innovator companies.

One important part of the Project 25 Standard is that, by definition, the proprietary technology <u>essential for implementation of the standard</u> are available with license terms free of discrimination. TIA intellectual property policy also encourages the licensing of proprietary technology.

This is exactly what has happened in the Project 25 process. A number of license agreements with fair and reasonable terms have been executed to permit anyone to manufacture Project 25 compliant equipment.

⁷Telecommunications industry Association

^{*}Letter from Dan Bart, EIA/TIA Vice President, Standards and Technology to the Federal Trade Commission, January 22, 1996

⁹WT Docket No, 96-86 at (101.)

The Standards Process

References contained in (100) try to create the illusion that Project 25 deliberations were not conducted in an open forum. A short description of the Project 25 process will provide a clear and accurate representation.

Project 25 was initiated because a number of interested users from various organizations had the vision to understand that an organized effort was necessary to insure that Public Safety communication systems were afforded a practical transition to rapidly emerging new technologies. As a result a user group was organized with the title APCO/ NASTD/FED later to become "Project 25". A Steering Committee with representation from the three user groups was set up within Project 25 to review and select technology appropriate for the users of Public Safety organizations.

TIA through it's Land Mobile Section' made an offer to assist Project 25 in the effort necessary to produce Public Safety 25 standards. The then chairman of the Section, Mr. Bill Blackburn from Ericsson-GE, met with representatives of Project 25 and the result was a Memorandum of Understanding (MOU) between TIA and Project 25.

This MOU defined the agreement for TIA to assist Project 25 in standards formulation effort.

As a result of the MOU a TIA ad hoc committee was formed to coordinate the efforts of the users and manufacturing participants. This committee adopted the acronym APIC". Any organization, users, service providers, consultants, domestic and foreign manufacturers, literally any one, with an interest in Public Safety communications have been encouraged to participate. In order to encourage full participation in APIC TIA waived the normally associated participation fees for APIC members. Mr. Stuart Meyer, representing Ericsson-GE was the first chairman of APIC. APIC was organized into various Task Groups with assignments ranging from the identification of technology to generation of documents suitable for Public Safety standards. Proposals to satisfy the Project 25 goals were solicited from anyone who choose to participate in the debate. This included both users and manufacturers. All participants were invited to join in tests of the different proposals.

These efforts have resulted in the release of more than thirty documents describing equipment and systems applicable to the Project 25 Standard.

This outstanding result is the product of unprecedented cooperation between users, service providers, and the manufacturing community. The forum provided by APIC have allowed open participation from all facets of both the users and industry. While many of the standards issues have been hotly contested, the increased understanding of differing points of view have created a legion of solutions and new ideas which will benefit the users, industry and the public at large.

¹⁰Mobile and Personal Communications Private Radio Section

[&]quot;APCO / TIA Interface Committee

Many of the documents produced in the APIC forum have been made into TIA documents. Programs conducted at TIA must comply with basic rules that insure fairness and unrestricted participation.

The Project 25 process is open and does/has not provide special inducements to any company or agency. There is no question that the advent of a Project 25 open standard is a threat to some companies who fear the involvement of smaller companies and would prefer a no standard in order to keep the status quo. While attempts to disrupt standards activities will delay the availability of documents, the process' followed in Project 25 are capable of overcoming these overt actions.

It is not clear that the intervention of a federal agency in this process would provide any improvements. Whenever charges are made that the process is flawed it is important that interested agencies become involved in the process in order to determine the facts. Both Project 25 and TIA have issued numerous invitations for Commission representatives to attend the open meetings.

An open society permits the expression of many different opinions and points of view. In many cases it is difficult to produce conclusive proof that one or another point of view is perfect, however reliance on inputs specifically generated with the goal of criticizing the process should be avoided or at least treated with great caution.

Transcrypt, along with other manufacturers, is an active participant in Project 25, a user driven effort to develop new digital technology standards for public safety communications. Transcrypt expects to benefit from the open standards process. Transcrypt has invested significant funds in the in-house development of a proprietary product and is one of the first companies to announce a Project 25 compliant product.